

REQUEST FOR QUALIFICATIONS

CITY OF TEMPE

REQUEST FOR QUALIFICATIONS: 08-051

RFQ ISSUE DATE:

09/11/2007

Commodity Code(s):

914-53, 914-84, 914-55,
914-58, 914-61, 914-50,
914-27, 914-30, 914-38
914-47, 914-85, 914-64,
914-68, 914-73, 914-79,
914-80, 914-83

PROCUREMENT DESCRIPTION: Housing Rehabilitation Contractors

RFQ DUE DATE/TIME: Tuesday, October 16, 2007, 3:00 P.M.

Local Time

Late RFQs will not be considered.

REQUEST FOR QUALIFICATIONS RESPONSE MUST BE DELIVERED TO CITY PROCUREMENT OFFICE

Mailing Address: PO Box 5002, Tempe, AZ 85280

Street Address: 20 E. Sixth Street (2nd Floor), Tempe, AZ 85281

PRE-QUALIFICATIONS CONFERENCE: N/A

DEADLINE FOR INQUIRIES: Friday, October 5, 2007, 5:00 P.M., Local Time

Sealed RFQ submittals must be received and in the actual possession of the City Procurement Office on or before the exact RFQ Due Date/Time indicated above. RFQ responses will be opened and each offeror's name will be publicly read. Late RFQs will not be considered.

RFQ responses must be submitted by a sealed envelope/package with the Request For Qualifications number, offeror's name and address clearly indicated on the envelope/package.

RFQ responses must be completed in ink or typewritten and a completed RFQ response returned to the City Procurement Office by the RFQ Due Date/Time indicated above. The "Vendor's RFQ Offer" (form 201-B RFQ) must be completed and signed in ink. Responses by electronic transmission, telegraph, mailgram or facsimile will not be considered.

RFQ offeror's are asked to immediately and carefully read the entire Request For Qualifications and not later than 10 days before the RFQ Due Date/Time, address any questions or clarifications to the Procurement Officer identified below:

Lisa Goodman, CPPB E-mail: Lisa_goodman@tempe.gov Phone No: 480-350-8533

Procurement Officer

RFQ evaluation and award selection recommendations are publicly posted to the City Procurement Office web page (www.tempe.gov/purchasing) and at the Procurement Office reception counter.

Submit one- (1) original signed and completed RFQ response for evaluation purposes. For this specific RFQ, 5 additional RFQ response copies are also to be submitted for evaluation purposes. A late, unsigned and/or materially incomplete RFQ response will be considered non-responsive and rejected.

JH

Jerry Hart
Financial Services Manager

Form 201-A (RFQ)

Vendor's RFQ Offer

It is REQUIRED that Request for Qualifications Offeror COMPLETE, SIGN and SUBMIT the original of this form to the City Procurement Office with the RFQ response offer. An unsigned "Vendor's RFQ Offer", late response and/or a materially incomplete response will be considered non-responsive and rejected.

RFQ offeror is to type or legibly write in ink all information required below.

RFQ Offeror's Company Name **FSL Home Improvements**

Company Mailing Address **1201 E. Thomas Road, Phoenix, AZ 85014**

Company Street Address **3051 S. 45th Street, Phoenix, AZ 85040**

RFQ Offeror Contact **Fritz Borchert** Title **Project Manager/Program Coordinator**

Contact's Phone No. **480-784-1900 x 11** E-mail Address **fborchert@fsl.org**

RFQ Offeror's Company Tax Information:

Arizona Transaction Privilege (Sales) Tax No. **07-667944-X** or

Arizona Use Tax No. _____

Federal I.D. No. **38-364990**

City & State Where Sales Tax is Paid **Phoenix, AZ**

THIS REQUEST FOR QUALIFICATIONS IS OFFERED BY

Authorized RFQ Offeror (Type or Print in ink) **Guy Mikklesen**

RFQ Offeror's Title (Type of Print in ink) **President & CEO**

Date _____

REQUIRED SIGNATURE OF AUTHORIZED RFQ OFFEROR (Must Sign in Ink)

By signing this RFQ Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other offeror or potential offeror. Failure to sign and return this form with RFQ offer will result in a non-responsive RFQ.



Signature of Authorized RFQ Offeror

10-08-07
Date

INSTRUCTIONS TO RFQ OFFERORS

Please note that these Instructions are to be read and followed by any RFQ offeror and/or contracted vendor and that failure to follow these Instructions may result in rejection of an RFQ offer for non-responsiveness or cancellation of contract if already awarded.

1. **Preparation of RFQ Response:** It is the offeror's responsibility to examine this entire Request For Qualifications document immediately upon its receipt and to seek clarification of any item or requirement that may not be clear and to check all RFQ responses for completeness and accuracy before submitting a response. Concerns about any obvious errors, points of confusion and/or possible improprieties in this Request for Qualifications that are apparent before the RFQ opening date are to be filed with the City Procurement Office prior to the scheduled RFQ opening date. Negligence in preparing a RFQ response confers no right of withdrawal after RFQ due date and time.

The City will not reimburse the cost of developing, presenting or providing any RFQ response to this Request For Proposals.

2. **Late, Unsigned and/or Incomplete RFQ Response:** A late, unsigned and/or materially incomplete RFQ response will be considered non-responsive and rejected. The City will not accept a signed letter by RFQ offeror in lieu of a signed "Vendor's RFQ Offer", form 201-B (RFP) as provided in this Request for Qualifications.
3. **Inquiries:** Questions regarding this Request for Qualifications are to be directed only to the City Procurement Officer identified on the cover page of this document, form 201-A (RFP); unless another City contact is specifically named in this Request for Qualifications. Questions should be submitted in writing, when time permits. When sending correspondence related to this Request for Qualifications, identify within the letter, the appropriate Request for Qualifications' number, page and paragraph at issue. However, offeror (vendor) must not place the Request for Qualifications' number on the outside of an envelope containing questions, since the envelope may be identified as a sealed RFQ response and not opened until the official RFQ opening date and time. Inquiries and questions should be asked of the City Procurement Office not later than 10 days before RFQ opening and those received within 10 days of RFQ opening may not be answered.
4. **RFQ Conference:** If a RFQ Conference is scheduled, it is the offeror's responsibility to attend the conference, ask questions, seek clarifications and identify any points of confusion or requirements at issue.
5. **Withdrawal of RFQ:** At any time before the specified RFQ opening date and time, an offeror may withdraw their RFQ. Offeror must present identification and documentation to indicate their authority to withdraw a RFQ response.
6. **RFQ Addendum(s):** Receipt and acceptance of a Request for Qualifications' Addendum is to be acknowledged by signing and returning the document either with the RFQ response or by separate envelope prior to RFQ opening date and time. Failure to sign and return an addendum prior to RFQ opening time and date may make the RFQ offer non-responsive to that portion of the Request for Qualifications as materially affected by the respective addendum.

7. **Payment:** For a single requirement purchase, the City will make every effort to make payment within 30 calendar days from receipt of acceptable products, materials and/or services and receipt of correct invoice. For ongoing term contract purchases, the City will make every effort to make payment within 30 calendar days from receipt of monthly statement.
8. **Discounts:** Payment discounts will be computed from the date of receiving acceptable products, materials and/or services or correct invoice, whichever is later to the date payment is mailed.
9. **Compliance with City Solicitation Requirements and Award of Contract:** Unless the offeror states otherwise or unless it states otherwise in this Request for Qualifications, the City reserves the right to award by individual line item, by group of items, or as a total, whichever is most advantageous to the City. The City expressly reserves the right to waive any immaterial defect or informality, or reject any or all RFQs, or portions thereof, or reissue this Request for Qualifications.

A RFQ response is an offer to contract with the City based on the terms, conditions and specifications contained in this Request for Qualifications. An offeror does not become a contractor unless they receive a formal contract award from the City Procurement Office. Unless this Request for Qualifications includes a separate contract document or requires the offeror to submit a contract for review, a contract is formed when the City Procurement Office provides a written notice of award or a purchase order to the successful offeror. RFQ offers that take exception to the terms, conditions, specifications and/or other requirements stated within this Request for Qualifications will cause the RFQ offer to be considered as non-responsive. Exceptions will be evaluated on an individual basis to determine their compliance with the purpose and intent of the terms and conditions stated within this solicitation. The City shall be the sole judge as to whether an exception complies with the general purpose and intent of any term, condition and/or specification stated within this solicitation document.

10. **Taxes:** Propose all materials (equipment/products) F.O.B. Tempe, prepaid. Unless specifically requested in this Request for Qualifications, do not include any Sales, Use or Federal Excise Tax in your RFQ pricing. The City is exempt from payment of Federal Excise Tax. For RFQ evaluation, Transaction (Sales) Privilege Tax paid (returned) to the City is considered a pass-through cost, calculated as zero (0) expense. For information on City of Tempe Privilege (Sales) Tax, please contact the City's Tax and License Office at (480) 350-2955 or visit their web site at www.tempe.gov/salestax.
11. **Payment By City Procurement Card:** The City Procurement Office (only) may wish to make payment through the use of a City Procurement Card. It is requested that each offeror indicate on the Price Sheet (pricing section) of this Request for Qualifications, their willingness to accept City Procurement Card payments. The inability to accept payment by City Procurement Card will not disqualify a RFQ response.
12. **RFQ Results:** Offerors are invited to attend the scheduled RFQ opening at which the name of each offeror will be publicly read (not prices). After award of RFQ, an appointment may be made with the City Procurement Officer (identified on the cover page of this Request for Qualifications) and the RFQ documents may be reviewed with the Procurement Officer. Formal award recommendations will be placed on the Procurement Office web page (www.tempe.gov/purchasing) and posted at the front counter of the Procurement Office at the same time the award recommendation is forwarded for City Council review. Parties interested in the outcome of a RFQ may check the City Procurement Office web page or check for posted awards at the Procurement Office front counter.

13. **Protests:** Any actual or prospective offeror who is aggrieved in conjunction with this Request for Qualifications or award of a contract may protest to the City Procurement Office (City Procurement Officer contact). A protest based upon alleged improprieties in this Request for Qualifications that are apparent before the RFQ opening shall be filed before RFQ opening. At least five (5) days before award of a contract, the City Procurement Office will post award recommendations on its web page (ing) and at the Procurement Office front counter for public review. A protest concerning an award recommendation must be filed within 10 calendar days after the protester knows or should have known the facts and circumstances upon which the protest is based. A protest shall be in writing and include the protester's name, address and phone number, identification of the solicitation or contract being protested, a detailed statement of the legal and factual grounds of the protest, including copies of relevant documents, and indication as to the form of relief requested. Protest is to be on the protester's company letterhead and signed.
14. **Request for Taxpayer I.D. Number and Certification, IRS W-9 Form:** An attached IRS W-9 form serves as the last page of this Request for Qualifications and is to be completed by RFQ offeror and submitted with the RFQ response. Prior to any contract award, this IRS W-9 form must be completed and submitted to the City Procurement Office.
15. **Compliance of RFQ Offeror/Contractor Forms:** Any forms (for example, separate contract, maintenance agreement, training agreement) intended by the RFQ offeror and/or contractor to be utilized in relationship to any resulting contract must be submitted with RFQ offer. RFQ offeror and/or contractor forms that take exception to any of the terms, conditions, specifications and/or other requirements stated within this Request for Qualifications may cause the RFQ response to be considered as non-responsive and rejected from consideration or a contract award to be void. Absolutely no RFQ offeror/contractor form will be considered unless submitted with RFQ response and approved by the City Procurement Office. No City department is authorized to sign any RFQ offeror and/or contracted vendor form(s) in relationship to this Request for Qualifications and/or subsequent contract without the City Procurement Office first reviewing the document for compliance with the City's solicitation and stamping/initialing the document as being in compliance.
16. **RFQ, Offer and Contract:** RFQ offers that take exception to Special Terms & Conditions stated within this Request for Qualifications may cause the RFQ response to be considered as non-responsive. As set forth in this Special Terms and Conditions section, "vendor" means a person or firm in the business of selling or otherwise providing products, materials or services and "RFQ offeror" means a vendor making a RFQ offer in response to a Request For Qualifications. "Contractor" means any person or firm who has a contract with the City. A successful "RFQ offeror" who is awarded a contract with the City becomes a "contractor".

Any language in RFQ offers that takes exception or provides different or conflicting terms, conditions, obligations, specifications, and/or requirements then those contained in the City's Standard Terms and Conditions or Special Terms and Conditions are deemed rejected by the City and are not included in the contract unless expressly agreed to in writing by the City of Tempe.

STANDARD TERMS & CONDITIONS

Please note that these Standard Terms & Conditions are to be read and complied with by RFQ offeror and/or contracted vendor and that failure to follow these requirements may result in rejection of a RFQ response for non-responsiveness or cancellation of any awarded contract.

1. **Certification:** By signing the "Vendor's RFQ Offer", form 201-B (RFQ), the offeror certifies:

- A. The submission of the RFQ offer response did not involve collusion or other anti-competitive practices.
- B. The vendor shall not discriminate against any employee or applicant for employment in violation of Federal and Arizona State law and the vendor shall comply with the Americans with Disabilities Act (ADA). Suppliers of products and services to the City of Tempe shall operate as an equal opportunity employer and shall not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, sexual orientation, national origin, or because he or she has a physical or mental disability or because he or she is a disabled veteran or a veteran of the Vietnam era, including, without limitation, with respect to employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship.

The City Procurement Office is committed to fair and equal procurement opportunities for all firms wishing to do business with the City and encourages the participation of small and disadvantaged businesses in all RFQs and contracting activities conducted by the City.

- C. The vendor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to sign the "Vendor's RFQ Offer" or signing it with a false statement shall void the submitted RFQ offer and/or any resulting contract. In addition, the vendor may be debarred from future RFQ and bidding participation with the City and may be subject to such actions as permitted by law.
- D. The vendor agrees to promote and offer to the City only those materials and/or services as stated and allowed by this Request for Qualifications and resultant contract award. Violation of this condition will be grounds for contract termination by the City.

2. **Gratuities:** The City may, by written notice to the contractor, cancel any resultant contract, if it is found that gratuities in any form were offered or given by the contractor or agent or representative of the contractor, to any employee of the City or member of a City evaluation committee with a view toward securing an order, securing favorable treatment with respect to awarding, amending or making of any determinations with respect to performing such order. In event the contract is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from contractor the amount of gratuity.

3. **Applicable Law:** This contract shall be governed by, and the City and contractor shall have all remedies afforded each by the Uniform Commercial Code, as adopted in the State of Arizona, except as otherwise provided in this Request for Qualifications and resultant contract or in statutes or ordinances pertaining specifically to the City. This contract shall be governed by State of Arizona law and suits pertaining to this contract may only be brought in courts located in Maricopa County, Arizona.

4. **Dispute Resolution:** This contract is subject to arbitration to the extent required by law. If arbitration is not required by law, the City and the contractor will meet and/or consult with each other in good faith to resolve any disputes arising out of the contract. If good faith efforts fail, then the City and contractor may attempt to resolve any disputes through mediation. If mediation is utilized, the City and contractor mutually will agree upon a mediator whose fees will be shared equally by the City and contractor.
5. **Contract Formation:** This contract shall consist of this Request for Qualifications document and the RFQ offer response submitted by the vendor, as may be found responsive and approved by the City. In the event of a conflict in language between the two documents, the provisions of the City's Request for Qualifications shall govern. The City's Request for Qualifications shall govern in all other matters not affected by a written contract. All previous contracts between the offeror and the City are not applicable to this contract or other resultant contracts. Any contracted vendor documents that conflict with the language and requirements of the City's solicitation are not acceptable and void the contract.
6. **Availability of Funds for the Next Fiscal Year:** The City's obligation for performance of this contract is contingent upon the availability of funds from which payment for contract purposes can be made. No legal liability on the part of the City for any payment may arise for performance under this contract beyond the current fiscal year until funds are made available for performance of this contract.
7. **Contract Modifications:** This contract may only be modified by a written Contract Modification issued by the City Procurement Office and counter-signed by the contractor.
8. **Provisions By Law:** Each and every provision of law and any clause required by law to be in this contract will be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the contract will forthwith be physically amended to make such insertion or correction.
9. **Severability:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract which may remain in effect without the invalid provision or application to the extent that the material provisions of this RFP and contract are not materially vitiated.
10. **Relationship of Parties:** It is clearly understood that each party to this contract will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other party. An employee or agent of one party shall not be an employee or agent of the other party for any purpose whatsoever.
11. **Interpretation of Parol Evidence:** This contract is intended as a final expression of the agreement between the parties and as a complete and exclusive statement of the contract, unless the signing of a subsequent contract is specifically called for in this Request for Qualifications. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in the contract. Acceptance or acquiescence in a course of performance rendered under this contract shall not be relevant to determine the meaning of the contract, even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object.

12. **Contract Assignment:** No right or interest in this contract shall be assigned by contractor and no delegation of any duty of contractor shall be made without prior written permission of the City Procurement Office.
13. **Rights and Remedies:** No provisions of this Request for Qualifications document or in the vendor's RFQ response offer shall be construed, expressly or by implication, as a waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of the City to insist upon strict performance of any term or condition of the contract or to exercise or delay the exercise of any right or remedy provided in the contract, or by law, shall not release the contractor from any responsibilities or obligations imposed by the contract or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of the contract.
14. **Overcharges By Antitrust Violations:** The City maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the City. Therefore, to the extent permitted by law, the contractor hereby assigns to the City any and all claims for such overcharges as the goods and/or services used fulfill the contract.
15. **Force Majeure:** Except for payment of sums due, neither party shall be liable to the other nor deemed in default under the contract if and to the extent that such party's performance of the contract is prevented by reason of force majeure. Force majeure means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God, acts of the public enemy, war, riots, mobilization, labor disputes, civil disorders, fire, floods, lockouts, injunctions, failures or refusal to act by government authority, and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

Force majeure shall not include the following occurrences:

- A. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences.
- B. Late performance by a subcontractor unless the delay arises from a force majeure occurrence in accordance with this force majeure clause.

Any delay or failure in performance by either party shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

If either party is delayed at any time in the progress of the work by force majeure, then the delayed party shall notify the other party in writing of such delay within forty-eight (48) hours of the commencement thereof and shall specify the causes of such delay in the notice. Such notice shall be hand delivered or sent via Certified Mail - Return Receipt Requested and shall make a specific reference to this clause, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing by hand delivery or Certified Mail - Return Receipt Requested when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that the results or effects of such delay prevent the delayed party from performing in accordance with the contract.

16. **Preparation of Specifications By Persons Other Than City Personnel:** No person preparing specifications for this Request for Qualifications Shall receive any direct or indirect benefit from the use of these specification.
17. **Public Record:** After award of contract, RFQ responses shall be considered public record and subject to review. If an offeror believes a specific section of its RFQ response is confidential, the offeror shall mark the page(s) confidential and isolate the pages marked confidential in a specific and clearly labeled section of its RFQ response. The offeror shall include a written statement as to the basis for considering the marked pages confidential and the City Procurement Office will review the material and make a determination.
18. **Conflict of Interest:** This contract is subject to the cancellation provisions of A.R.S. Section 38.511.

Request for Qualifications Special Terms and Conditions

RFQ offers that take exception to Special Terms & Conditions stated within this Request for Qualifications may cause the RFQ response to be considered as non-responsive. As set forth in this Special Terms and Conditions section, "vendor" means a person or firm in the business of selling or otherwise providing products, materials or services and "RFQ offeror" means a vendor making a RFQ offer in response to a Request for Qualifications. "Contractor" means any person or firm who has a contract with the City. A successful "RFQ offeror" who is awarded a contract with the City becomes a "contractor".

1. **City Procurement Document:** This Request for Qualifications is issued by the City Procurement Office. No alteration of any portion of this Request for Qualifications document by an offeror is permitted and any attempt to do so shall result in offeror's RFQ response being considered non-responsive. No alteration of any portion of a resultant contract is permitted without the written approval of the City Procurement Office and any attempt to do so shall be a violation of the contract. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, contract cancellation, suspension and/or debarment of the contractor.
2. **Offer Acceptance Period:** To allow for an adequate evaluation, the City requires an offer in response to this Request for Qualifications to be valid and irrevocable for 90 days after the RFQ opening time and date.
3. **Contract Type:** Term with justifiable price adjustment allowed, indefinite quantity.
4. **Term of Contract:** The term of any resultant contract shall commence on the date of award and shall continue for a period of 12 month(s) thereafter, unless terminated, canceled or extended as otherwise provided herein. Resultant contract is non-transferable and can not be assigned by the contractor without the approval of the City Procurement Office, and then only when all prices, discounts, terms and conditions of the original RFQ documents and contract award remain unchanged.
5. **Contract Renewal:** The City reserves the right to unilaterally extend the period of any resultant contract for 90 days beyond the stated expiration date. In addition, by mutual agreement in the form of a written Contract Modification, any resultant contract may be renewed for supplemental periods of up to a maximum of 24 additional months. The period for any single renewal increment shall be determined by the City Procurement Office. Such increment shall not be for more than a period of 12 months each, unless the City is eligible to obtain a significant cost and/or supply advantage by a longer contract renewal period.
6. **Cooperative Use of Contract:** In addition to the City of Tempe this contract may be extended for use by other municipalities and government agencies of the State of Arizona. Any such usage by other municipalities and government agencies must be in accord with the ordinance, charter and/or rules and regulations of the respective political entity. Any public agencies not identified within this Request for Qualifications who wish to cooperatively use the contract are subject to the approval of contractor(s).

7. **Contract Termination:** This contract may be terminated without default by either party by providing a written 30 day notice of termination to the other party.
8. **Cancellation for Default:** This contract is critical to the City of Tempe and the City reserves the right to immediately cancel the whole or any part of this contract due to failure of the contractor to carry out any obligation, term, or condition of the contract. The City will issue a written notice of default effective at once and not deferred by any interval of time. Default shall be for acting or failing to act as in any of the following:
 1. The contractor provides material that does not meet the specifications of the contract;
 2. The contractor fails to adequately perform the services set forth in the specifications of the contract;
 3. The contractor fails to complete the work required or furnish the materials required within the time stipulated in the contract;
 4. The contractor fails to make progress in the performance of the contract and/or gives the City reason to believe that the contractor will not or cannot perform to the requirements of the contracts.

The City may resort to any single or combination of the following remedies:

1. Cancel any contract;
 2. Reserve all rights or claims to damage for breach of any covenants of the contract;
 3. Perform any test or analysis on materials for compliance with the specifications of the contract. If the results of any test or analysis find a material non-compliance with the specifications the actual expense of testing will be borne by the contractor;
 4. In case of default, the City reserves the right to purchase materials from another source, or to complete the required work in accordance with the needs of the City. The City may recover any actual excess costs from the contractor by:
 - A. Deduction from an unpaid balance;
 - B. Collection against the bid and/or performance bond, or;
 - C. Any combination of the above or any other remedies as provided by law.
9. **Contracts Administration:** Contractor must notify the City Procurement Office (designated Procurement Officer Contact) for guidance or direction of matters of contract interpretation or problems regarding the terms, conditions or scope of this contract.
 10. **Responsiveness To Specifications:** Performance or feature requirements which are designated as mandatory or minimums are needed in order to satisfy an identified task or performance need. A description is given for each designated feature. This description shall be used to determine if offeror's proposed product(s) and/or service(s) is/are capable of performing the function.

It is recognized that more than one method may be used to accomplish the sought after task functionality. If the offeror has an alternate method of performing functional tasks, then such method is to be listed as an "alternate", and described in full detail within the written RFQ response. The City shall be the sole judge as to whether any alternate methodology will be accepted.

"Must", "shall", "will", "minimum", "required" and/or "mandatory" performance/feature statements must be met or exceeded by a responsive offeror. Should no offeror be found totally responsive to all designated Request for Qualifications requirements, the City at its option, may either award the contract to the most responsive offeror or cancel the Request for Qualifications and issue another Request for Qualifications for the need under revised specifications.

11. **Multiple Awards:** The City has a large number and variety of potential customer departments. In order to assure that any ensuing contracts will allow the City to fulfill current and future requirements, the City reserves the right to award contracts to multiple companies. The actual utilization of any contract will be at the sole discretion of the City. The fact that the City may make multiple awards should be taken into consideration by each offeror.
12. **Non-exclusive Contract:** Any contract resulting from this Request for Qualifications shall be awarded with the understanding and agreement that it is for the sole convenience of the City of Tempe. The City reserves the right to obtain like materials or services from another source to secure significant cost savings or when timely delivery cannot be met by the contractor.
13. **Billing:** All billing notices shall identify the specific item(s) being billed. Items are to be identified by name, model number, and/or serial number, as most applicable. Any purchase/delivery order issued by the requesting department shall refer to the contract number resulting from this Request for Qualifications. Separate invoices are required on individual contracts or purchase orders. Only invoices with items resulting from this Request for Qualifications will be accepted for payment.
14. **Licenses:** Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of the business conducted by the Contractor.
15. **Permits:** The contractor shall be responsible for obtaining all required permits for installations.
16. **Safety Standards:** All items supplied on this contract must comply with the current applicable Occupational Safety and Health Standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association Standards.
17. **Site Clean-Up:** The contractor shall, at the completion of this contract, remove all debris, unused materials, apparatus, equipment, etc., and clean up the area leaving the premises clean and orderly, returning to the original conditions.
18. **Infringement of Patent or Copyright:** The contractor agrees to save, keep, bear harmless and fully indemnify the City and any of its officers and employees from any and all damages, costs, or expenses in law or equity, that may at any time arise out of or be set up for any infringement of the patent right, copyright, or trademark of any person or persons in consequences of use by the City, or by any of its officers, or agents or employees of vendor supplied materials under this bid solicitation and of which the contractor is not a patentee or signee or lawfully entitled to sell the same.

Contractor (seller) agrees to indemnify and hold harmless the City (buyer) from any and all license, royalty and proprietary fees or costs, including legal costs, which may arise out of City's (buyer's) purchase and use of material (equipment/product) supplied by contractor (seller).

It is expressly agreed by contractor (seller) that these covenants are irrevocable and perpetual.

19. **Contractor's(Seller's) Risk:** Contractor (seller) agrees to bear all risk of loss, injury, or destruction of materials (equipment/products ordered as a result of this Request for Qualifications which occur prior to delivery to the City; and such loss, injury, or destruction shall not release contractor (seller) from any obligation hereunder.
20. **Insurance:** Prior to commencing any work or services under this contract, contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons and damages to property, which may arise from or in connection with the performance of the work hereunder by the contractor, his agents, representatives, employees, or subcontractors.

A Contract Award Notice or Purchase Order will not be issued to an awarded vendor until receipt of all required insurance documents by the City Procurement Office and such documents must meet all requirements of this Insurance clause. In addition, before any contract is renewed for additional time periods, all required insurance must be in force and on file with the City Procurement Office. An awarded vendor or contractor must submit required insurance within 10 calendar days after request by the City Procurement Office or the award may be rescinded and another vendor selected for award.

Minimum Limits Of Insurance

Contractor shall maintain limits no less than:

1. **Commercial General Liability:** \$1,000,000 combined single limit per occurrence for bodily injury and property damage, including coverage for contractual liability (including defense expense coverage for additional insureds), personal injury, broad form property damage, products, completed operations, and product liability. The general aggregate limit shall apply separately to this project/location or the general aggregate shall be twice the required occurrence limit.
2. **Automobile Liability:** \$1,000,000 combined single limit per accident for bodily injury and property damage, including coverage for owned, hired, and non-owned vehicles as applicable.
3. **Workers' Compensation and Employers Liability:** Workers' Compensation and Employers Liability statutory limits as required by the State of Arizona.
4. **Other Insurance:** (If applicable, see supplement.)

Deductibles And Self-Insured Retentions

Any deductibles or self-insured retentions must be declared and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officials, employees, and volunteers, or the contractor shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

Other Insurance Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverage:

- a. The City, its officials, employees, and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of the contractor including the insured's general supervision of the contractor; products and completed operations of the contractor; premises owned, occupied or used by the contractor, or automobiles owned, leased, hired or borrowed by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officials, employees, or volunteers.
- b. The Contractor's insurance coverage shall be primary as respects the City, its officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officials, employees, or volunteers shall be excess of the contractor's insurance and shall not contribute to it. The amount and type of insurance coverage required by this contract shall not limit the scope of the indemnity provided by this contract.
- c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officials, employees, or volunteers.
- d. Coverage shall state that the contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. Workers' Compensation and Employers Liability Coverage

- a. The insurer shall agree to waive all rights of subrogation against the City, its officials, employees and volunteers for losses arising from work performed by the contractor for the City.

3. All Coverages

- a. Each insurance policy required by this contract shall be endorsed to state the coverage shall not be suspended, voided, and/or canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Other Insurance Requirements: Contractor shall:

1. Prior to commencement of services, furnish the City with certificates of insurance, in form and with insurers acceptable to the City which shall clearly evidence all insurance required in this contract and provide that such insurance shall not be canceled, allowed to expire or be materially reduced in coverage except on 30 days prior written notice to and approval by the City, and in accord with stated insurance requirements of this Request for Qualifications. City shall not be obligated, however, to review same or to advise contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve contractor from, or be deemed waiver of City's right to insist on, strict fulfillment of contractor's obligations under this contract.
2. Provide certified copies of endorsements and policies if requested by the City in lieu of or in addition to certificates of insurance.
3. Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of services.
4. Maintain such insurance from the time services commence until services are completed. Should any required insurance lapse during the contract term, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this contract, effective as of the lapse date. If insurance is not reinstated, City may at its sole option, terminate this contract effective on the date of such lapse of insurance.
5. Place such insurance with insurers and agents licensed and authorized to do business in Arizona and having a Best's rating of no less than A-VII.
6. Maintain such coverage continuously throughout the term of this contract and without lapse for a period of two years beyond the contract expiration, should any of the required insurance be provided under a claims-made form, to the extent that should occurrences during the contract term give rise to the claims made after expiration of the contract, such claims shall be covered by such claims-made policies. Such extension of coverage shall be evidenced by annual certificates of insurance.

Subcontractors and Sub-Subcontractors

Contractor shall include all subcontractors and sub-subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverage for subcontractors and sub-subcontractors shall be subject to all of the requirements stated herein for the contractor.

Safety

The contractor shall be solely and completely responsible for conditions of the job site, including safety of all persons (including employees) and property during performance of the work. This requirement shall apply continuously and not be limited to normal working hours. Safety provisions shall conform to all applicable federal (including OSHA), state, county, and local laws, ordinances, codes, and regulations. Where any of these are in conflict, the more stringent requirement shall be followed. The contractor's failure to thoroughly familiarize himself with the aforementioned safety provisions shall not relieve him from compliance with the obligations set forth therein.

21. **Notices:** All notices, requests, demands, consents, approvals, and other communications which may or are required to be served or given hereunder (for the purposes of this provision collectively called "Notices"), shall be in writing and shall be hand delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid, addressed to the party or parties to receive such notice as follows:

a. If intended for the City, to:

City of Tempe Procurement Office
Attn: Lisa Goodman
20 E. 6th Street (Second Floor)
PO Box 5002
Tempe, Arizona 85280

b. If intended for the contractor, to:

The contractor at the contractor's address
and the attention of the person named as
provided in the offer of this contract.

or to such other address as either party may from time to time furnish in writing to the other by notice hereunder.

22. **RFQ Opening:** RFQs shall be opened at the time and place designated on the cover page of this document. The name of each offeror and the identity of the Request for Qualifications for which the RFQ was submitted shall be publicly read and recorded in the presence of witnesses. RFQs, modifications and all other information received in response to this Request shall be shown only to City Personnel having a legitimate interest in the evaluation. "PRICES SHALL NOT BE READ". After contract award, the RFQs and the evaluation documentation shall be open for public inspection.

23. **RFQ Evaluation:** In competitive Sealed RFQs, awards shall be made to the responsible offeror whose RFQ is determined in writing to be the most advantageous to the City taking into consideration the evaluation factors set forth in the Request for Qualifications. The City shall be the sole judge as to the acceptability of the products and/or services offered.

24. **Discussion with Responsible Offerors and Revisions to RFQ:** Discussions may be conducted with responsible offerors who submit RFQs determined to be reasonably susceptible of being selected for award. The City may ask to obtain pertinent information for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Should the City elect to call for 'best and final' offers, offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of RFQs, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from RFQs submitted by competing offerors. The purposes of such discussions shall be to:

- A. Determine in greater detail such offeror's qualifications;
- B. Explore with the offeror the scope and nature of the project, the offeror's proposed method of performance, and the relative utility of alternate methods of approach;
- C. Determine that the offeror will make available the necessary personnel and facilities to perform within the required time; and

- D. Agree upon compensation which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity and nature of such services.
25. **Key Personnel:** It is essential that the contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. The contractor must agree to assign specific individuals to the key positions.
- A. The contractor agrees that, once assigned to work under this contract, key personnel shall not be removed or replaced without written notice to the City.
- B. If key personnel are not available for work under this contract for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the contractor shall immediately notify the City, and shall, subject to the concurrence of the City, replace each person with personnel of substantially equal ability and qualifications.
26. **Confidential Information:**
- A. If a person believes that a RFQ offer or specification, contains information that should be withheld, a statement advising the City Procurement Officer of this fact shall accompany the submission and the information shall be so identified wherever it appears.
- B. The information identified by the person as confidential shall not be disclosed until the City Procurement Office makes a written determination or until after award of RFQ.
- C. The City Procurement Office shall review the statement and information and shall determine in writing whether the information shall be withheld. After award of contract, all bid response information shall be available for public inspection.
- D. If the City Procurement Office determines to disclose the information, the offeror shall be informed in writing of such determination. After award of contract, all RFQ response information shall be available for public inspection.
27. **Payments - After Acceptance of Delivery:** the City shall make Payment in full to the successful contractor within thirty (30) days after receipt and acceptance of delivery. Unless terms other than net 30 days are offered as a discount.
28. **Indemnification:** To the fullest extent permitted by law, the Contractor shall defend, indemnify and hold harmless the City, its agents, officer, officials, and employees from and against all claims, damages, losses and expenses (including but not limited to attorney's fees, court costs, and the costs of appellate proceedings), arising out of, or alleged to have resulted from the negligent acts, errors, mistakes, omissions, work, services, or professional services of the Contractor, its agents, employees, or any other person (not the City) for whose acts, errors, mistakes, omissions, work, services, or professional services the Contractor may be legally liable in the performance of this contract. Contractor's duty to hold harmless and indemnify the City, its agents, officers, officials and employees shall arise in connection with any claim for damage, loss or expenses that is attributable to bodily injury, sickness disease, death, or injury to, impairment, or destruction of any person or property, including loss of use resulting therefrom, caused by any negligent acts, errors, mistakes, omissions, work, services, or professional services in the performance of this contract by Contractor or any employee of the Contractor, or any other person (not the City) for whose negligent acts, errors, mistakes, omissions, work, or services the Contractor may be legally liable. The amount and type of insurance coverage requirement set forth herein will in no way be construed as limiting the scope of indemnity in this paragraph.

29. **Taxes:** Propose all products F.O.B. Tempe, prepaid. Do not include any Sales, Use or Federal Excise Tax in your RFQ pricing; unless specifically requested on the Price Sheet(s) within the Request for Qualifications document. The City is exempt from payment of Federal Excise Tax and for RFQ evaluation purposes will add Sales or Use Tax as applicable. For RFQ evaluation purposes, transaction (sales) Privilege Tax to be paid (returned) to the City of Tempe, will be considered as a pass-through cost of Tempe vendors and calculated as a realized net expense of zero (0).
30. **Governor's Air Pollution Emergency Proclamation:** In keeping with the governor's air pollution emergency proclamation of July 16, 1996, products which are documented and evaluated to have low or no-content of reactive organic compounds (ozone-producing agents) are sought from this Request for Qualifications.
31. **Energy Efficient Products:** The City may consider energy conservation factors including costs in the evaluation of equipment and product purchases for the purpose of obtaining energy efficient products. In addition, equipment and product purchases may specify items that have been given an energy efficient classification by the federal government.
32. **Unauthorized Firearms & Explosives:** No person conducting business on City property is to carry a firearm or explosive of any type. Any City bidder, contractor or subcontractor is to honor this requirement at all times and failure to honor this requirement will result in contract cancellation. This requirement also applies to persons who maintain a concealed weapon's permit. In addition to contract cancellation, anyone carrying a firearm or explosive device will be subject to police and legal action.
33. **Confined Space Work:** The contractor shall comply with all applicable federal, state, local health and safety regulations, ordinances, and requirements. In addition, the following requirements are applicable for City construction projects.
- The contractor shall implement a permit-required confined space program as specified under 29 CFR 1910.146 for all work that encompasses a space that 1) is large enough and so configured that an employee can bodily enter and perform assigned work; 2) has limited or restricted means for entry or exit (for example, tanks, vessels, silos, storage bins, hoppers, vaults, and pits are spaces that may have limited means of entry); and 3) is not designed for continuous employee occupancy.
34. **Conduct and Dress Code:** The contractor's employees shall maintain proper conduct at all times while on City property. Employees shall respect other personnel at the work site. Abusive language, ethnic and racial slurs, sexual comments and jokes, shouting, and gestures toward other personnel will not be tolerated. Any occurrence will result in immediate action with possible dismissal of that employee.
- Employees will be neatly dressed with badges or uniforms that identify them as employees of the contractor.
35. **Safety, Health and Sanitation:** The contractor shall provide and maintain in a neat, sanitary condition such facility accommodations for the use by their employees as may be necessary to comply with the requirements and regulations of the Arizona State Department of Health or as specified by the Maricopa County Health Department, Sanitary Code.

The contractor shall be fully responsible for the safety of their employees, the public and property in connection with the performance of the work covered by this contract. The contractor(s) shall provide all safeguards, safety devices and protective equipment and be responsible for taking any needed actions to protect the life and health of their employees and the public during work activity. The contractor(s) shall also take any necessary actions as directed by the City of Tempe Project Manager to reasonably protect the life and health of employees on this job and others coming into contact with the job site.

Precaution shall be exercised by the contractor(s) at all times for the protection of persons (including employees) and property. The contractor shall comply with the provisions of all applicable laws, pertaining to such protection including all Federal and State Occupational Safety and Health Acts, and Standards and Regulations promulgated thereunder.

36. **Protection and Restoration of Property and Landscape:** The contractor shall be responsible for all damage or injury to public or private property of any character, during the prosecution of the work resulting from any act, omission, neglect, or misconduct in its manner or method of executing the work or at any time due to defective work or materials. The contractor(s) responsibility will not be released until the project has been completed and accepted.

If damage is caused by the contractor, the contractor shall restore at no cost to the City of Tempe, such property to a condition similar or equal to that existing before such damage or injury was done, by repairing, rebuilding or otherwise restoring as may be directed, or they shall make good such damage or injury in an acceptable manner. Further payments will be withheld until the City of Tempe has inspected the corrected damage or injury and has signed-off the completion and acceptance.

Contractor shall not dump spoils or waste material on private or private public property without first obtaining from the owner written permission for such dumping.

37. **Responsibility for Work:** The contractor shall properly guard, protect, and take every reasonable precaution necessary against damage or injury to all finished or partially finished work due to weathering action by the elements or from any other cause, until the entire portion of their respective contract obligation is completed and accepted by the City of Tempe. The contractor(s) shall rebuild, repair, restore, and make good all injuries or damages to any portion of the work before final acceptance at no cost to the City of Tempe. Partial payment for any completed portion of work shall not release the contractor(s) from such responsibility.
38. **Employees of the Contractor:** No one except authorized employees of the Contractor is allowed on the premises of the City of Tempe. Contractor employees are NOT to be accompanied in their work area by acquaintances, family members, assistants, or any other person unless said person is an authorized employee of the Contractor. Failure of Contractor to meet this requirement will result in permanent removal of employee performing work at the City of Tempe sites. The Contractor must, however, furnish the City a current employee register on the issuance of this contract and updated every six (6) months thereafter. This register must contain the Name, Social Security Number, Phone Number, and Address.
39. **Sub-Contractor (s):** The City of Tempe reserves the right to approve all sub-contractor(s). Contractor is responsible for all actions of sub-contractor(s). Contractor shall name sub-contractor(s) as additionally insured, in addition to the City of Tempe on all required insurance documents.

40. **Safety Apparel Used by Contractor Employees/Staff:** Contractor's employees/staff shall be required to wear safety apparel (i.e., eye, ear, face, protection, etc.) and appropriate clothing like long pants, long sleeve shirts, when using landscape equipment such as, but not limited to lawnmowers, blowers, weed wackers, etc. Monitoring of safer work performance will be performed by City staff.
41. **Materials and/or Equipment:** Materials and/or equipment, furnished by the City of Tempe will be delivered or made available to the contractor(s) when necessary. The contractor(s) will be held responsible for all materials and/or equipment accepted by them and will make good any shortages, deficiencies or damages that may occur after such acceptance.
42. **Disadvantaged Business Enterprise:** For this RFP the City of Tempe has established that there is no goal for the utilization of Disadvantaged Business Enterprises owned, operated, and controlled by socially and economically disadvantaged individuals. Although there was not a DBE goal established for this contract, it is strongly encouraged that the Contractor use, wherever possible, Disadvantaged Business Enterprises owned, operated, and controlled by socially and economically disadvantaged individuals.

The City of Tempe extends to each individual, firm, vendor, supplier, contractor, and subcontractor an equal economic opportunity to compete for City business and strongly encourages, pursuant to Executive Orders 11625 and 12432 regarding Minority Business Enterprise, and 12138 regarding Women's Business Enterprise, and regulations S.85.36 (e) and of Section 281 of the National Housing Affordability Act, voluntary use of disadvantaged and/or minority-or women-owned businesses to reflect both the industry and community ethnic composition.

Scope

The City of Tempe is issuing this Request for Qualifications to establish a qualified list of Housing Rehabilitation Contractors for use by the Housing Division. This list will be used for selecting qualified Contractors to perform all of the services and furnish all of the materials necessary to make improvements to residential properties identified by the City of Tempe Housing Division. The Request For Qualifications is structured to allow for the selection of multiple firms to provide cost estimates for required rehabilitation services.

The selection of Contractors for each property shall be from a General Contractor Suggestion List. This list will be maintained by the Procurement Office. Contractors will be placed on this list by alphabetical order and they will be rotated on a monthly basis. The rotation will occur by moving the number one Contractor on the list to the bottom of the list and adjusting the list up one place accordingly. Contractor lists for specific trades used for emergency rehabilitation will be rotated on a similar basis. An emergency exists when a repair will immediately impact the safety and wellbeing of the occupants.

Contractors selected for a project must be available to perform the work in a timely manner.

The properties are not owned by the City, but are either owner-occupied or landlord owned/occupied/unoccupied single-family detached, town home, row house, manufactured, mobile, duplex, two-family, SRO, or condo unit.

The initial contract period shall be for one-year and may be renewed for additional periods per the Special Terms and Conditions of this Request for Qualifications.

Contractors shall submit an estimate to the City for each project prior to starting work. This estimate shall provide the estimated time in hours that the project will require for completion. The Contractor can begin the project after authorization by the designated City representative. The Contractor shall obtain written approval from the Project Coordinator at the City if the time and cost to complete the project exceeds the estimate.

In the event that any asbestos, mold, or lead paint is suspected or discovered; contractor shall immediately notify the City and shall await a decision by the City before proceeding with any portion of the service.

Successful Contractors, when chosen for a project, will be asked to sign the attached contract, Exhibit A.

A Certificate of Insurance is required from Contractor naming the City of Tempe as an additional insured for all services requested and/or provided. Insurance must be provided to the Procurement Office at the commencement of contract.

Licensing

All Contractors must have the appropriate Arizona Contractor's Licenses for each trade for which they submit an offer. The City requires a firm to have a General Contractor's license. Subcontractors may participate in the emergency Housing Improvement Program (HIP) and must have the appropriate license for the repair involved.

A copy of each license must be submitted with RFQ response.

Workmanship

All work shall be completed in a high quality, workman-like manner as recognized in the trade industry and by the published Standards of Arizona Registrar of Contractors.

Debarred Contractors

The City will check the Better Business Bureau and Debarred Vendors for all Contractors. Contractors will be checked after the RFQ due date and prior to offer review and on an annual basis thereafter. Any Contractors that appear on either list as debarred or suspended will be removed from the qualified list.

Defects after Completion

The Contractor shall guarantee the work performed for twelve (12) months from the date of final acceptance of all work required by this contract. Any defects that appear within this twelve (12) month period and arise out of defective or improper materials or workmanship shall, upon written instruction of the Owner(s), be corrected and made good by the Contractor at his expense.

Furthermore, the Contractor shall furnish the Owners with all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under the contract.

Codes

All trades current accepted standards shall be in accordance to the City of Tempe Building Code. All plumbing shall be in accordance to the International Association of Plumbing and Mechanical Officials Uniform Plumbing Code. All electrical shall be in accordance with the National Electric Code of the National Fire Protection Association. All other trades must comply with applicable codes.

Non-Performance

Contractors that are selected for a project and fail to complete the project in a timely manner or refuse projects repeatedly will be removed from the qualified lists.

Customer Service

It is the City's intent to work with licensed contractors who demonstrate the highest level of customer service to City staff and Program Participants. Contractors that repeatedly demonstrate poor customer service and/or have more than one complaint filed with the Registrar of Contractors by a Program Participant may be removed from the qualified lists.

Storage

The Contractor(s) must provide storage facilities, where and when necessary, and exercise such measures as to ensure the preservation of the quality and fitness of all materials and/or equipment to be used in the work. Any portion of the right-of-way and easements not required for public travel may be used for storage purposes when approved by the ordering City department. The Contractor(s) must provide any additional storage area required.

Materials and/or equipment, furnished by the City of Tempe will be delivered or made available to the Contractor(s) when necessary. The Contractor(s) will be held responsible for all materials and/or equipment accepted by them and will make good any shortages, deficiencies or damages which may occur after such acceptance.

Additional Information:

Process Overview – Regular Rehabilitation

1. Rotating contractor list is maintained – names are rotated on a monthly basis.
2. For non-emergency items, the homeowner selects 3 contractors to bid on their project.
3. Contractor walk-through is scheduled with City of Tempe and homeowner. A scope of work is provided to the contractor so they can bid on the project.
4. Bids are due within 10 days of the walk-through.
5. Bid review is conducted – the low bid will prevail unless the homeowner wishes to contribute to the difference in price.
6. Selected/non-selected letters are sent to the bidding contractors.
7. Contract between homeowner and contractor is signed.
8. "Notice to Proceed" sent to contractor.
9. Construction commences within 5 days.
10. Construction should be completed within 60 days.
11. Contractor payment requests need to be completed for any draws and are contingent upon satisfactory completion of the work as determined by the homeowner and the City. Terms are net 30.

Process Overview – Emergency

1. Contractor list is maintained per trade (HVAC, electrical, plumbing, roofing, etc.).
2. The contractors are used in order alphabetically.
3. Contractor walk-through is scheduled with City of Tempe and homeowner. A scope of work is provided to the contractor so they can bid on the project.
4. Bids are due immediately.
5. Selected letter is sent to the contractor.
6. Contract between homeowner and contractor is signed.
7. "Notice to Proceed" sent to contractor.
8. Construction commences immediately.
9. Construction should be completed immediately.
10. Contractor payment requests need to be completed for any draws and are contingent upon satisfactory completion of the work as determined by the homeowner and the City. Terms are net 30.

City of Tempe Housing Improvement Program

Purpose:

The primary purpose of the City's Housing Improvement Program is to provide a decent, safe and sanitary home and a suitable living environment for residents, as well as to protect and preserve the integrity and stability of Tempe neighborhoods.

The Housing Improvement Program provides financial assistance to qualified homeowner to rehabilitate their owner-occupied homes and is funded by two primary sources: the federal Community Development Block Grant Program (CDBG) and the federal HOME program.

Eligibility:

To be eligible for the Housing Improvement Program:

- Participant must be a Tempe resident;
- Participant must have owned and occupied the home to be rehabilitated for at least the immediate past 6 months;
- Participant's gross (before taxes) household income must meet the income guidelines; not to exceed 80% of area median income.
- Participant must not have an outstanding loan or lien from the City of Tempe as a result of previous rehabilitation work on their home.
- The property value of the home to be rehabilitated must not exceed 95% of the yearly-published HUD/FHA mortgage limits.
- Property taxes must be current to within one year and the mortgage payments must be current to within one month.

The Housing Improvement program provides funds up to a maximum of \$50,000 to income qualified homeowners to correct code violations, deficiencies or other hazardous conditions in the home.

Homeowners may qualify for no-interest deferred loans, low-interest amortized loans or a combination of both. The type of loan the homeowner receives is based on the homeowner's ability to repay the loan.

In addition, grants (no repayment) are available for up to \$7,500 to qualified low to moderate-income homeowners with household incomes not exceeding 80% of area median income limits, to make emergency repairs to, or rehabilitate their home. Emergency repairs are those which affect the immediate life, health and/or safety of the dwellings occupants.

Examples of emergencies include: air-conditioning or evaporative cooler repair, heating repairs, electrical hazards, leaking roofs, plumbing and/or sewer problems, or anything that may immediately affect the health or safety of the occupants of the home.

Waiting List and Preferences:

Qualified homeowners for the Housing Improvement Program may be placed on a waiting list according to the time and date of their pre-application and the preference area they live in. Preference 1 areas will be assisted before Preference 2 areas. The preference areas are as follows:

Preference #1:

- Westside, census tracts 3188, 3189, 3197.04;
- Apache Blvd: census tracts 3191, 3192, 3193;
- East Rio Neighborhood: the area inside of census tract 3184 with the following boundaries: north of Curry, West of Miller, south of Weber and east of Rural.

Preference #2:

All areas of the City outside of the preference 1 areas listed above.

The following grant program is also available to homeowners in Tempe:

Tempe Home Accessibility Program:

This program is also for homeowners who require accessibility modifications to their home, such as ramps, widening of doors, grab bars, modifications to showers, sinks, and toilets. Energy conservation improvements are also eligible expenses.

Loan Repayment:

Under the Housing Improvement Program, all loans are secured with a Deed of Trust and a recorded lien on the rehabilitated property.

Amortized loans will have set repayment schedules. Deferred loans have no set repayments. Both loans must be repaid immediately if the property is sold, the title is transferred or the property is alienated. Loans may also be due and payable upon mortgage refinancing during the term of the loan. There are no prepayment penalties if a loan is repaid prior to the due date.

The City of Tempe has conditions for subordination of liens and the request must be approved by the Tempe Neighborhood Enhancement Section.

Rehabilitation vs. Remodeling:

It is important to remember that the purpose of the Housing Improvement Program is to assist homeowners with rehabilitating their home to correct code violations, deficiencies or hazardous conditions. It is not a remodeling program.

Specifications

1. Contractor shall provide offers in a format acceptable to the City and services consistent with the requirements of the City of Tempe's Community Development Department's "Standards for Rehabilitation," most recent revision. These Standards provide information to the homeowners/landlord and Contractors on how the rehabilitation process flows. Its also provides general information on the programs. Copies are available at the Neighborhood Enhancement Office.
2. In most cases, a timely response will be expected to provide the services required and all offers will be binding on the parties and sub-Contractors providing the services.
3. Contractors, subcontractors and sub-subcontractors shall have and maintain all relevant certifications and licenses for all services offered throughout the life of the contract.
4. Contractors, subcontractors and sub-subcontractor, and their employees and agents shall have the qualifications and experience required to perform the work required under this contract in a workman-like manner and pursuant to industry standards.

RFQ Questionnaire

Listed below are questions that will be used in the evaluation process. Please answer the questions in detail and in an orderly fashion.

1. Provide a summary of your firm's experience and expertise. **FSL Home Improvements is a 501(c) 3 and an affiliate corporation of the Foundation for Senior Living, which has been providing quality services to seniors, low-income and disabled adults in the valley since 1975. In 1987, The Foundation for Senior Living launched the Home Safety and Repair Program (known today as FSL Home Improvements, Inc.). FSL Home Improvements holds a General Building Contractors license, a C39R Residential HVAC license and a C37R Plumbing License from the Arizona Registrar of Contractors. Our organization provides housing rehabilitation, home medical modification services and energy saving weatherization services to homeowners throughout Maricopa County. Currently, our organization is a sub recipient for the City of Scottsdale, the City of Phoenix, Maricopa County, the City of Surprise and the Arizona Department of Housing. Under contract with these entities, FSL Home Improvements provides emergency repairs and home modifications, weatherization assistance and handicap modifications. In addition, we have completed several Regular Rehabilitations and Emergency Repair contracts for the City of Tempe Community Development Department over the last two years. Our organization employs in-house repair technicians, which are skilled in Plumbing, HVAC and general carpentry. In addition, our organization utilizes the expertise of various highly pre-qualified licensed sub contractors to perform services as needed.**
2. List the trades your firm wants to appear on the qualified list. **Residential General Building Contractor, C-39RHVAC and C37R Plumbing.**
3. Identify the key individuals you would assign to the City of Tempe and briefly describe their qualifications and experience.

Fritz Borchert, Project Coordinator/Superintendent

Fritz has worked in the general contracting field for over 25 years as field superintendent, project estimator and licensed general contractor. He is knowledgeable in all areas of general construction and provides guidance and supervision to the FSL staff. He has been working on City of Tempe Housing Rehab projects with Rachel Perez and Mike Anaya for the last two years. He is also the qualifying party for the FSL Home Improvements Plumbing License with the Arizona Register of Contractors.

Katie Smith, Program Coordinator

Katie has worked in the home repair industry since 1998. Her home repair experience is in project management. Katie is responsible for managing home repair projects by coordinating workload between in-house repair technicians and subcontractors. In addition, Katie handles administrative duties to include accounting and invoicing as well as coordinating between homeowners, subcontractors and city personnel.

Vinny Pedalino, HVAC Supervisor

Vinny has worked with FSL Home Improvements since its inception. He is direct supervisor for the in-house field home repair technicians and coordination of the FSL Weatherization Program. He is knowledgeable in all areas of general home repair including minor electrical, plumbing and

general carpentry. He is also the qualifying party for the FSL Home Improvements HVAC License with the Registrar of Contractors.

4. Provide copies of current, valid, State of Arizona Contractors licenses to each trade you are requesting to be on the qualified list. **See attached documentation**
5. List three references with contact name and phone number for each type of work completed in the past two (2) years.

Company	Contact Name	Phone Number
City of Phoenix	Michelle Albanese	602-256-3253
City of Scottsdale	Justin Boyd	480-312-2479
City of Surprise	Christina Ramirez	623-222-1551
City of Avondale	Andrew Rael	623-333-2715
City of Tempe	Rachel Perez	480-350-8961

6. Describe the services you will sub-contract.
- Roofing, Electrical, Fencing, Insulation, and Flooring**
7. Provide evidence of financial stability. **See attached documentation**
8. Indicate if your firm performs rehabilitation on mobile homes?
- X Yes No

RFQ Checklist For Submittals

- ☒ One signed and complete original of the RFQ response, including "Vendor's RFQ Offer" (Form 201-B).
- ☒ RFQ Questionnaire has been completed and included.
- ☒ Any addendum(s) have been included.
- ☒ Copies of all licenses have been included.



STATE OF ARIZONA
OFFICE OF THE REGISTRAR

STATE OF ARIZONA

LICENSE No. 106809

Office of the Registrar of Contractors
To All Whom It May Concern:

This is to Certify That

F S A L PROGRAMS DBA
F S L HOME IMPROVEMENTS (CORP.)

having been shown to possess all the necessary qualifications, and having complied with all the requirements of the law,
is by order of the Registrar of Contractors on the 12TH day of APRIL in the year of our Lord One Thousand
Nine Hundred and 95, duly licensed and admitted to engage in and pursue the business of

B-
GENERAL BUILDING CONTRACTOR

Contractor in the State of Arizona. Given under my hand and the seal of the Registrar of Contractors
in my office, City of Phoenix, this 12TH day of APRIL, 19 95.



Michael Calderon
DIRECTOR

STATE OF ARIZONA

Office of the

License No. ROC185445

Registrar of Contractors

This is to Certify That

F S L HOME IMPROVEMENTS (CORP.)

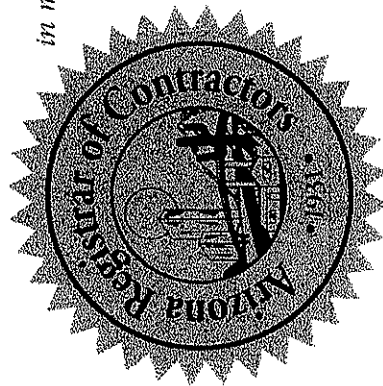
having been shown to possess all the necessary qualifications, and having complied with all the requirements of the law,
is by order of the Registrar of Contractors duly licensed and admitted to engage in and pursue the business of

C-37R

PLUMBING

Contractor in the State of Arizona. Given under my hand and the seal of the Registrar of Contractors

in my office, City of Phoenix, this 13TH day of MAY, 2003.




DIRECTOR

STATE OF ARIZONA

Office of the

License No. ROC185648

Registrar of Contractors

This is to Certify That

F S L HOME IMPROVEMENTS (CORP.)

having been shown to possess all the necessary qualifications, and having complied with all the requirements of the law,
is by order of the Registrar of Contractors duly licensed and admitted to engage in and pursue the business of

C-39R

AIR CONDITIONING AND REFRIGERATION

Contractor in the State of Arizona. Given under my hand and the seal of the Registrar of Contractors

in my office, City of Phoenix, this 19TH day of MAY, 2003.




DIRECTOR

Combined Financial Statements

June 30, 2006 and 2005

***FSL PROGRAMS, FSL PATHWAYS AND
FSL HOME IMPROVEMENTS***



CPAs & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMBINED FINANCIAL STATEMENTS

Board of Directors

FSL Programs, FSL Pathways and FSL Home Improvements

Phoenix, Arizona

We have audited the accompanying combined statements of financial position of the *FSL Programs, FSL Pathways and FSL Home Improvements* as of June 30, 2006 and 2005, and the related combined statements of activities, cash flows and functional expenses for the years then ended. These combined financial statements are the responsibility of the "Entities" management. Our responsibility is to express an opinion on the combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we do not express such an opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the combined financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall combined financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the *FSL Programs, FSL Pathways and FSL Home Improvements* as of June 30, 2006 and 2005 and the combined changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Phoenix, Arizona
September 30, 2006

PEOPLE. PRINCIPLES. POSSIBILITIES.

www.eidebailly.com

1850 N. Central Ave., Suite 400 ■ Phoenix, AZ 85004-4527 ■ Phone 602.264.5844 ■ Fax 602.277.4845 ■ EOE

FSL PROGRAMS, FSL PATHWAYS AND FSL HOME IMPROVEMENTS
COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2006 AND 2005

ASSETS	2006	2005
CASH	\$ 631,013	\$ 112,295
RECEIVABLES		
Government contracts	3,309,757	2,589,550
Client fees, program income and other	511,841	437,852
	3,821,598	3,027,402
Allowance for doubtful accounts	(116,168)	(85,839)
	3,705,430	2,941,563
RELATED PARTY RECEIVABLES - AFFILIATES	1,494,834	867,689
PREPAID EXPENSES AND DEPOSITS	82,216	85,881
PROPERTY AND EQUIPMENT, NET	382,927	514,576
	\$ 6,296,420	\$ 4,522,004
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	\$ 696,542	\$ 402,059
Accounts payable - affiliates	92,111	73,579
Management fee payable, FSL Management	740,769	633,318
Accrued expenses	842,837	839,338
Contract advances	1,154,835	16,751
Other liabilities	214,627	42,511
	3,741,721	2,007,556
NOTES PAYABLE	128,422	195,681
NET ASSETS		
Unrestricted	2,289,261	2,140,275
Temporarily restricted	137,016	178,492
	2,426,277	2,318,767
	\$ 6,296,420	\$ 4,522,004

See Notes to Combined Financial Statements

FSL PROGRAMS, FSL PATHWAYS AND FSL HOME IMPROVEMENTS
COMBINED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

	2006			2005		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
PUBLIC SUPPORT AND REVENUE						
Public Support						
Government contracts	\$ 17,174,520	-	\$ 17,174,520	\$ 14,462,058	-	\$ 14,462,058
Client fees	1,844,254	-	1,844,254	1,568,194	-	1,568,194
Program income	850,624	-	850,624	651,631	-	651,631
Contributions						
Charity Development Appeal	1,022,499	-	1,022,499	788,423	-	788,423
Foundation	147,999	-	147,999	105,963	-	105,963
Corporation and individual	168,915	101,990	270,905	280,942	144,643	425,585
In-kind	626,007	-	626,007	613,285	-	613,285
Fundraising	5,872	-	5,872	11,196	-	11,196
Other	7,915	-	7,915	1,369	-	1,369
Net assets released from restrictions	143,466	(143,466)	-	116,373	(116,373)	-
	<u>21,992,071</u>	<u>(41,476)</u>	<u>21,950,595</u>	<u>18,599,434</u>	<u>28,270</u>	<u>18,627,704</u>
EXPENDITURES						
Program Services						
Supporting Services						
Management and general	2,803,468	-	2,803,468	2,530,378	-	2,530,378
Fundraising costs	1,870	-	1,870	3,793	-	3,793
	<u>2,805,338</u>	<u>-</u>	<u>2,805,338</u>	<u>2,534,171</u>	<u>-</u>	<u>2,534,171</u>
	21,843,085	-	21,843,085	18,367,800	-	18,367,800
CHANGE IN NET ASSETS						
	148,986	(41,476)	107,510	231,634	28,270	259,904
NET ASSETS, beginning of year	<u>2,140,275</u>	<u>178,492</u>	<u>2,318,767</u>	<u>1,908,641</u>	<u>150,222</u>	<u>2,058,863</u>
NET ASSETS, end of year	<u>\$ 2,289,261</u>	<u>\$ 137,016</u>	<u>\$ 2,426,277</u>	<u>\$ 2,140,275</u>	<u>\$ 178,492</u>	<u>\$ 2,318,767</u>

See Notes to Combined Financial Statements

FSL PROGRAMS, FSL PATHWAYS AND FSL HOME IMPROVEMENTS
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 107,510	\$ 259,904
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	201,007	182,083
Gain on sale of property and equipment	(6,874)	(6,012)
Allowance for doubtful accounts	30,329	1,424
(Increase) decrease in		
Receivables	(1,421,341)	(474,205)
Prepaid expenses and deposits	3,665	13,705
Increase (decrease) in		
Accounts payable	420,466	(107,771)
Accrued expenses	1,313,699	41,221
Total adjustments	540,951	(349,555)
Net cash provided by (used in) operating activities	648,461	(89,651)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(71,082)	(163,716)
Sale proceeds from property and equipment	8,598	11,456
Net cash used in investing activities	(62,484)	(152,260)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on notes payable	(81,308)	(74,605)
Proceeds from issuance of notes payable	14,049	42,210
Net cash used in financing activities	(67,259)	(32,395)
NET INCREASE (DECREASE) IN CASH	518,718	(274,306)
CASH, beginning of year	112,295	386,601
CASH, end of year	\$ 631,013	\$ 112,295
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the year for interest	\$ 6,225	\$ 6,588

See Notes to Combined Financial Statements

FSL PROGRAMS, FSL PATHWAYS AND FSL HOME IMPROVEMENTS
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

2006

PROGRAM SERVICES

	Maricopa County Home Care/ Home Health	Mohave County Home Care/ Home Health	La Paz County Home Care/ Home Health	Yavapai County Home Care/ Home Health	Adult Day Health Care	OASIS (Older Adult Information System)	Nutrition Program	Community Action Program	Adult Foster Care
Salaries and employee benefits	\$ 1,048,435	\$ 315,354	\$ 68,592	\$ 259,334	\$ 2,654,112	\$ 113,262	\$ 181,576	\$ 149,826	\$ 237,359
Building and occupancy	69,294	12,000	738	13,696	643,979	67,956	98,134	29,589	24,588
Meetings and travel	55,506	29,617	10,236	1,501	12,871	2,587	7,302	2,410	14,208
Professional fees/taxes	190,766	1,092	37	575	247,149	47,167	13,693	13,557	1,685,996
Food and beverage	-	-	-	-	248,429	-	77,902	-	-
Specific assistance to clients	-	750	-	-	-	-	-	285	-
Depreciation	6,747	-	-	-	105,272	-	-	-	-
Interest	-	-	-	-	3,142	-	-	-	-
Bad debts	955	-	-	-	27,320	-	-	-	-
Materials and supplies	26,183	15,618	454	10,538	117,520	17,345	31,695	1,751	11,098
Insurance	13,529	2,720	-	2,526	79,213	575	1,459	1,235	2,384
Telephones	17,456	10,912	-	5,872	45,840	2,779	11,270	6,458	5,940
Other operating	7,784	696	90	348	350,456	1,155	2,336	258	3,361
Management fees	-	-	-	-	-	-	-	-	-
	\$ 1,436,655	\$ 388,759	\$ 80,147	\$ 294,390	\$ 4,535,303	\$ 252,826	\$ 425,367	\$ 205,369	\$ 1,984,934

(Continued)

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

2006

PROGRAM SERVICES

	Home Repair Program	Pathways	The Catholic Center	The Catholic Senior Ministries	ABC Coalition	Assisted Group Living	Care by Design	Other Program Expenses	Elimination's	Total
Salaries and employee benefits	\$ 546,554	\$ 57,464	\$ 318,625	\$ 64,247	\$ 19,517	\$ 4,554,475	\$ 708,382	\$ 5,355	\$ -	11,302,469
Building and occupancy	45,168	13,720	60,043	-	-	549,117	23,543	12,764	(6,057)	1,658,272
Meetings and travel	39,047	3,638	4,065	-	225	31,973	10,242	-	-	225,428
Professional fees/taxes	1,211,264	18	10,050	-	-	818,038	14,111	-	(615,883)	3,637,630
Food and beverage	-	-	-	-	-	132,987	-	-	-	459,318
Specific assistance to clients	-	5,271	-	-	-	-	-	-	-	6,306
Depreciation	7,933	-	1,426	-	-	77,136	1,353	-	-	199,867
Interest	-	-	-	-	-	3,083	-	-	-	6,225
Bad debts	-	-	-	-	-	2,163	5,206	-	-	35,644
Materials and supplies	192,094	2,462	11,364	1,911	-	142,635	23,601	1,529	-	607,798
Insurance	16,432	1,530	4,073	131	-	69,401	5,366	-	-	200,574
Telephones	15,191	1,688	5,039	-	-	34,706	6,911	1,008	-	171,070
Other operating	33,818	1,312	3,330	371	818	108,309	30,324	(11,500)	(6,120)	527,146
Management fees	-	-	-	-	-	-	-	-	-	-
	\$ 2,107,501	\$ 87,103	\$ 418,015	\$ 66,660	\$ 20,560	\$ 6,524,023	\$ 829,039	\$ 9,156	\$ (628,060)	\$ 19,037,747

(Continued)

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

	2006		Total Support Services	Total Functional Expenses
	Management and General	Fundraising		
Salaries and employee benefits	\$ 1,066,499	\$ -	\$ 1,066,499	12,368,968
Building and occupancy	-	-	-	1,658,272
Meetings and travel	-	-	-	225,428
Professional fees/taxes	-	-	-	3,637,630
Food and beverage	-	-	-	459,318
Specific assistance to clients	-	-	-	6,306
Depreciation	-	-	-	199,867
Interest	-	-	-	6,225
Bad debts	-	-	-	35,644
Materials and supplies	-	-	-	607,798
Insurance	-	-	-	200,574
Telephones	-	-	-	171,070
Other operating	-	1,870	1,870	529,016
Management fees	1,736,969	-	1,736,969	1,736,969
	<u>\$ 2,803,468</u>	<u>\$ 1,870</u>	<u>\$ 2,805,338</u>	<u>\$ 21,843,085</u>

(Continued)

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

2005

PROGRAM SERVICES

	Maricopa County Home Care/ Home Health	Mohave County Home Care/ Home Health	Adult Day Health Care	OASIS (Older Adult Information System)	Nutrition Program	Community Action Program	Adult Foster Care
Salaries and employee benefits	\$ 1,259,927	\$ 347,602	\$ 2,630,592	\$ 81,264	\$ 185,801	\$ 149,443	\$ 283,848
Building and occupancy	67,742	12,161	623,589	67,900	97,449	29,206	19,851
Meetings and travel	55,407	29,066	6,643	1,791	5,083	1,673	17,730
Professional fees/taxes	210,168	7,617	161,328	43,233	13,586	9,246	227
Food and beverage	-	-	214,727	-	65,499	-	-
Specific assistance to clients	-	936	-	-	-	2,565	-
Depreciation	11,937	-	85,985	-	-	-	-
Interest	-	-	5,095	-	-	-	-
Bad debts	11,748	-	4,704	618	-	-	-
Materials and supplies	36,020	13,547	163,504	24,453	21,928	2,716	15,675
Insurance	17,110	3,198	97,334	880	1,527	1,343	2,445
Telephones	20,657	10,392	35,346	2,358	10,605	6,327	3,849
Other operating	8,355	9	280,939	764	2,195	685	3,965
Management fees	-	-	-	-	-	-	-
	\$ 1,699,071	\$ 424,528	\$ 4,309,786	\$ 223,261	\$ 403,673	\$ 203,204	\$ 347,590

(Continued)

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

2005

PROGRAM SERVICES

	Home Repair Program	Pathways	The Catholic Center	Assisted Group Living	Care by Design	Other Program Expenses	Elimination's	Total
Salaries and employee benefits	\$ 478,479	\$ 156,626	\$ 341,900	\$ 4,213,783	\$ 429,993	\$ 9,250	\$ -	\$ 10,568,508
Building and occupancy	48,309	23,148	57,063	457,894	14,630	2,109	(7,928)	1,513,123
Meetings and travel	40,613	1,571	4,241	29,513	5,686	2,739	-	201,756
Professional fees/taxes	888,036	512	6,370	567,543	10,049	25,410	(495,147)	1,448,178
Food and beverage	-	-	-	127,834	-	-	-	408,060
Specific assistance to clients	-	2,707	-	-	-	-	-	6,208
Depreciation	14,346	-	988	68,826	-	-	-	182,082
Interest	-	-	-	1,493	-	-	-	6,588
Bad debts	-	-	-	449	2,562	2,257	-	22,338
Materials and supplies	183,482	4,073	9,519	144,181	7,367	10,522	(9,824)	627,163
Insurance	8,520	2,072	4,764	62,726	2,349	-	-	204,268
Telephones	14,354	3,550	4,776	28,545	6,292	371	-	147,422
Other operating	32,839	1,328	3,916	120,082	26,924	36,314	(20,380)	497,935
Management fees	-	-	-	-	-	-	-	-
	\$ 1,708,978	\$ 195,587	\$ 433,537	\$ 5,822,869	\$ 505,852	\$ 88,972	\$ (533,279)	\$ 15,833,629

(Continued)

COMBINED STATEMENTS OF FUNCTIONAL EXPENSES

2005				
SUPPORT SERVICES				
	Management and General	Fundraising	Total Support Services	Total Functional Expenses
Salaries and employee benefits	\$ 961,795	\$ -	\$ 961,795	\$ 11,530,303
Building and occupancy	-	-	-	1,513,123
Meetings and travel	-	-	-	201,756
Professional fees/taxes	-	-	-	1,448,178
Food and beverage	-	-	-	408,060
Specific assistance to clients	-	-	-	6,208
Depreciation	-	-	-	182,082
Interest	-	-	-	6,588
Bad debts	-	-	-	22,338
Materials and supplies	-	-	-	627,163
Insurance	-	-	-	204,268
Telephones	-	-	-	147,422
Other operating	-	3,793	3,793	501,728
Management fees	1,568,583	-	1,568,583	1,568,583
	<u>\$ 2,530,378</u>	<u>\$ 3,793</u>	<u>\$ 2,534,171</u>	<u>\$ 18,367,800</u>

See Notes to Combined Financial Statements

FSL PROGRAMS, FSL PATHWAYS AND FSL HOME IMPROVEMENTS
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2006 AND 2005

NOTE 1 - NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

FSL Programs, FSL Pathways and FSL Home Improvements (the "Entities") are non-profit corporations who provide social and health services to the elderly and disabled and whose sole member is the Foundation for Senior Living (FSL). FSL is a non-profit corporation whose sole member is the Roman Catholic Church, Diocese of Phoenix and has an elected Board of Directors that provide policy, advice and guidance to the Foundation and its affiliated Corporations. These organizations provide program services and oversight of the respective programs. All other support services are provided by FSL Management through the charging of a monthly management fee as defined by the management agreement.

FSL Programs is a non-profit organization, which administers programs and services for senior adults, persons with disabilities, and their families. These programs are primarily supported by contracts with Federal, State and County agencies and client fees. The primary source of FSL Programs' revenue is from government contracts which include the Area Agency on Aging District I, Western Arizona Council of Governments (WACOG), and the Mercy Care.

FSL Pathways provides group housing and related behavioral health services for mentally impaired adults. These activities are funded by Value Options, and Mercy Care.

FSL Home Improvements provides construction services related to the rehabilitation of existing housing and for home repairs and improvements, primarily to reduce or eliminate health and safety hazards, for the benefit of senior adults, low income individuals, and individuals with disabilities. The primary sources of revenue are Maricopa County, City of Phoenix, and the City of Scottsdale.

PRINCIPLES OF COMBINATION

The combined financial statements include the accounts of the Entities. These combined Entities are affiliated through common control and providing social and health services to the elderly. All significant inter-company accounts and transactions have been eliminated in the preparation of these combined financial statements.

FINANCIAL STATEMENT PRESENTATION

The Entities prepare the financial statements using Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Entities are required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon the existence or absence of donor-imposed restrictions. In addition, the Entities are required to present a statement of cash flows.

CONTRIBUTIONS

In accordance with SFAS No. 116, "Accounting for Contributions Received and Contributions Made," contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Under SFAS No. 116, such contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Donated or purchased property and equipment are accounted for as unrestricted net assets. Also included in this classification are amounts designated by the Board of Directors for capital expenditures.

(Continued)

NOTES TO COMBINED FINANCIAL STATEMENTS

Certain donated services and materials received, which are measurable and ascertainable, are included as in-kind contributions and charged to program expenses in the accompanying combined financial statements. During the years ended June 30, 2006 and 2005, in-kind contributions of \$626,007 and \$613,285, respectively, have been reflected in the accompanying financial statements for donated services since an objective basis is available to measure the value of such services. However, a substantial number of volunteers have donated significant amounts of their time on behalf of the Entities for which no objective basis is available to measure the value of such services and as a result no amounts have been reflected in the accompanying financial statements.

Unconditional promises to give or contributions are recognized when the donor makes a promise to give to the Entities. Contributions or promises to give that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions or promises to give are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

CASH AND CASH EQUIVALENTS

For purposes of the combined statement of cash flows, the Entities consider all highly liquid assets that can be easily converted to cash as cash equivalents. FSL Programs, FSL Pathways and FSL Home Improvements maintain cash balances at financial institutions, which may exceed federally insured amounts.

ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. The allowance for uncollectible accounts was \$116,168 and \$85,839 at June 30, 2006 and 2005, respectively. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. Additions, renewals, and betterments are capitalized, whereas expenditures for maintenance and repairs are charged to expense. It is the policy of FSL Programs, FSL Pathways and FSL Home Improvements to provide depreciation and amortization using the straight-line method, based on the estimated useful lives of the respective assets.

The Entities review their property and equipment whenever events indicate that the carrying amount of the asset may not be recoverable. An impairment loss is recorded when the sum of the future cash flows is less than the carrying amount of the asset. An impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value. No impairment loss has been recorded for the years ended June 30, 2006 and 2005.

CONTRACT ADVANCES

Contract advances are comprised of funds received from contractors for services not yet provided and for funds received from clients for various senior trips. Amounts will be recognized as revenue when the services are provided.

ESTIMATES

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	2006	2005
Furniture and equipment	\$ 256,251	\$ 225,689
Vehicles	878,875	874,991
Leasehold improvements	206,594	185,712
	<u>1,341,720</u>	<u>1,286,392</u>
Accumulated depreciation and amortization	(958,793)	(771,816)
	<u>\$ 382,927</u>	<u>\$ 514,576</u>

NOTE 3 – OPERATING LEASES

The Entities lease space for certain of its program service locations under long-term and month to month operating leases. Future minimum rental payments required under operating leases that have an initial or remaining non-cancelable lease term in excess of one year are as follows at June 30, 2006:

	Affiliate	Non-affiliate	Total
2007	\$ 81,000	\$ 351,905	\$ 432,905
2008	-	236,301	236,301
2009	-	61,877	61,877
2010	-	16,650	16,650
	<u>\$ 81,000</u>	<u>\$ 666,733</u>	<u>\$ 747,733</u>

During the year ended June 30, 2002, the Entities moved into a building owned by an affiliate, FSL. For the years ended June 30, 2006 and 2005, the rent paid to FSL by the Entities for the building and other sites was approximately \$340,000 and \$300,000, respectively. The Entities lease agreements with FSL are on an annual basis with the current agreements expiring on June 30, 2006.

Total rent expense was approximately \$825,000 and \$755,000 for the years ended June 30, 2006 and 2005, respectively.

The amounts above include rent expense for FSL Programs' Avondale facility. Under the terms of the lease agreement the facility was to be rent-free for a period of ten years, as a result of improvements made to the facility by Programs. These improvements were to be expensed as rent over the ten-year period and the net balance of \$16,168 was reflected in these combined financial statements as prepaid rent at June 30, 2005. Programs vacated the site and expensed the remaining prepaid rent during the year ended June 30, 2006.

NOTE 4 – NOTES PAYABLE

The Entities are indebted with respect to the purchase of vehicles and refinanced vehicles. The loans require varying monthly payments at interest rates ranging from 0.0% to 8.05%. The loans mature between November of 2006 and March of 2011. At June 30, 2006 and 2005, the notes had an outstanding balance of \$128,422 and \$195,681, respectively.

(Continued)

NOTES TO COMBINED FINANCIAL STATEMENTS

The annual maturities of these notes are as follows: 2007 - \$65,869; 2008 - \$37,109; 2009 - \$10,657; 2010 - \$8,982; 2011 - \$5,805.

NOTE 5 – TRANSACTIONS WITH AFFILIATES

The Entities conduct business with each other, which gives rise to intercompany receivables and payables, and revenues and expenses. Balances/activity in these intercompany accounts (which have been eliminated in combination) are as follows at June 30, 2006:

	Due From	Due To	Revenue	Expense
FSL Programs, Inc.	\$ 130,033	\$ -	\$ 428,646	\$ 287,511
FSL Pathways, Inc.	-	46,778	10,062	340,549
FSL Home Improvements, Inc.	15,000	98,255	189,352	-
	<u>\$ 145,033</u>	<u>\$ 145,033</u>	<u>\$ 628,060</u>	<u>\$ 628,060</u>

FSL Management provides management services to affiliated entities for a management fee. The expense paid to FSL Management by FSL Programs, FSL Pathways and FSL Home Improvements for fiscal 2006 and 2005 was approximately \$1,740,000 and \$1,570,000, respectively. FSL allocated \$1,022,499 and \$788,423 of Charity Development Appeal (CDA) funds awarded by the Roman Catholic Diocese of Phoenix to the Entities in fiscal 2006 and 2005, respectively.

Outstanding related party receivables due from affiliates at June 30, 2006 and 2005 included \$1,399,896 and \$747,566, respectively, due from the Foundation for Senior Living \$88,522 and \$133,073, respectively, due from FSL Management, and \$6,416 due from and \$12,950 due to other affiliates, respectively.

Outstanding accounts payables due to affiliates at June 30, 2006 and 2005 included \$36,980 and \$73,580 due to the Foundation for Senior Living, respectively, and \$55,131 due from other affiliates at June 30, 2006.

NOTE 6 – INCOME TAXES

The Entities are non-profit, Arizona corporations which have been granted certificates of exemption from the payment of federal and state income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code.

NOTE 7 – EMPLOYEE BENEFIT PLAN

The Entities' employees are eligible to participate in a Tax Sheltered Annuity Employee Retirement Plan. The plan covers substantially all full-time employees over age 21 who have one year of service, as defined. FSL matches eligible contributions of employee compensation based on a years of service formula as defined in the plan documents. Effective January 1, 2006 FSL's policy changed from a match of 8% to 6%. In fiscal 2006 and 2005, contributions of approximately \$175,000 and \$170,000, respectively, were made to this TSA plan.

NOTES TO COMBINED FINANCIAL STATEMENTS

NOTE 8 – NET ASSETS RELEASED FROM RESTRICTIONS

Net assets released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors during the fiscal year ended June 30 are as follows:

	2006	2005
Donor restricted contributions accomplished	\$ 143,466	\$ 116,373

NOTE 9 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods at June 30:

	2006	2005
United Way	\$ 88,329	\$ 88,329
Other	48,687	90,163
	\$ 137,016	\$ 178,492

NOTE 10 – CONTINGENCIES

The Entities obtain a majority of their revenues through contracts and grants from various governmental agencies. If the governmental agencies affect significant budget cuts in the future, this source of funding could decrease. If this were to occur, it is management's opinion that the Entities could continue most of its activities through other sources of funding. Additionally, program costs are subject to audit by the contracting agency, and in the event that the contract proceeds were not spent in accordance with contract terms, the proceeds may be required to be returned to the appropriate agency. The Entities are of the opinion that an adequate provision has been made in the combined financial statements for the effect of any costs, which might be disallowed under these various contracts.

The audits of FSL Programs and FSL Home Improvements schedules of federal financial assistance were performed in accordance with the provisions of Office of Management and Budget Circular OMB-133, *Audits of Non-Profit Organization*.

#



CPAs & BUSINESS ADVISORS

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors

FSL Programs, FSL Pathways and FSL Home Improvements

Phoenix, Arizona

Our audits were made for the purpose of forming an opinion on the basic combined financial statements taken as a whole. The supplemental information as of and for the years ended June 30, 2006 and 2005, is presented for purposes of additional analysis and is not a required part of the basic combined financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic combined financial statements taken as a whole.

Eide Bailly LLP

Phoenix, Arizona

September 30, 2006

PEOPLE. PRINCIPLES. POSSIBILITIES.

www.eidebailly.com

1850 N. Central Ave., Suite 400 ■ Phoenix, AZ 85004-4527 ■ Phone 602.264.5844 ■ Fax 602.277.4845 ■ EOE

FSL PROGRAMS, FSL PATHWAYS AND FSL HOME IMPROVEMENTS
COMBINING STATEMENTS OF FINANCIAL POSITION
FOR THE YEAR ENDED JUNE 30, 2006
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2005)

	2006				2005	
	FSL Programs	FSL Pathways	FSL Home Improvements	Combined Elimination's	Totals	Comparative totals only
CASH	\$ 366,518	\$ 191,334	\$ 73,161	\$ -	\$ 631,013	\$ 112,295
RECEIVABLES						
Government contracts	2,088,468	787,286	434,003	-	3,309,757	2,589,550
Client fees, program income and other	361,269	57,544	93,028	-	511,841	437,852
	2,449,737	844,830	527,031	-	3,821,598	3,027,402
Allowance for doubtful accounts	(116,168)	-	-	-	(116,168)	(85,839)
	2,333,569	844,830	527,031	-	3,705,430	2,941,563
RELATED PARTY RECEIVABLES						
Accounts receivable - affiliate	773,402	715,016	6,416	-	1,494,834	867,689
Accounts receivable - combined affiliate	-	46,778	98,255	(145,033)	-	-
	773,402	761,794	104,671	(145,033)	1,494,834	867,689
PREPAID EXPENSES AND DEPOSITS	46,207	34,292	1,717	-	82,216	85,881
PROPERTY AND EQUIPMENT, NET	205,038	161,621	16,268	-	382,927	514,576
	<u>\$ 3,724,734</u>	<u>\$ 1,993,871</u>	<u>\$ 722,848</u>	<u>\$ (145,033)</u>	<u>\$ 6,296,420</u>	<u>\$ 4,522,004</u>
LIABILITIES						
Accounts payable	\$ 242,021	\$ 149,749	\$ 304,772	\$ -	\$ 696,542	\$ 402,059
Accounts payable - affiliates	4,481	50,650	36,980	-	92,111	73,579
Accounts payable - combined affiliate	130,033	-	15,000	(145,033)	-	-
Management fee payable - FSL Management	451,867	-	288,902	-	740,769	633,318
Accrued expenses	480,106	320,699	42,032	-	842,837	839,338
Contract advances	1,145,535	9,300	-	-	1,154,835	16,751
Other liabilities	206,559	8,068	-	-	214,627	42,511
	2,660,602	538,466	687,686	(145,033)	3,741,721	2,007,556
NOTES PAYABLE	25,419	103,003	-	-	128,422	195,681
NET ASSETS						
Unrestricted	912,261	1,352,402	24,598	-	2,289,261	2,140,275
Temporarily restricted	126,452	-	10,564	-	137,016	178,492
	1,038,713	1,352,402	35,162	-	2,426,277	2,318,767
	<u>\$ 3,724,734</u>	<u>\$ 1,993,871</u>	<u>\$ 722,848</u>	<u>\$ (145,033)</u>	<u>\$ 6,296,420</u>	<u>\$ 4,522,004</u>

FSL PROGRAMS, FSL PATHWAYS AND FSL HOME IMPROVEMENTS
COMBINING STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2005)

	2006				2005	
	FSL Programs	FSL Pathways	FSL Home Improvements	Combined Elimination's	Totals	Comparative totals only
REVENUES						
Government contracts	\$ 8,537,829	6,776,222	1,860,469	\$ -	\$ 17,174,520	\$ 14,462,058
Client fees	2,047,612	10,062	414,640	(628,060)	1,844,254	1,568,194
Program income	153,968	696,646	10	-	850,624	651,631
Contributions						
Charity Development Appeal	973,536	-	48,963	-	1,022,499	788,423
Foundation	139,498	-	8,501	-	147,999	105,963
Corporation and individual	266,470	-	4,435	-	270,905	425,585
In-kind	617,882	-	8,125	-	626,007	613,285
Fundraising	5,872	-	-	-	5,872	11,196
Other	-	5,422	2,493	-	7,915	1,369
	<u>12,742,667</u>	<u>7,488,352</u>	<u>2,347,636</u>	<u>(628,060)</u>	<u>21,950,595</u>	<u>18,627,704</u>
EXPENDITURES						
Program services	11,034,283	6,524,023	2,107,501	(628,060)	19,037,747	15,833,629
Support services	1,745,654	817,820	239,994	-	2,803,468	2,530,378
Fundraising costs	1,870	-	-	-	1,870	3,793
	<u>12,781,807</u>	<u>7,341,843</u>	<u>2,347,495</u>	<u>(628,060)</u>	<u>21,843,085</u>	<u>18,367,800</u>
CHANGE IN NET ASSETS	(39,140)	146,509	141	-	107,510	259,904
NET ASSETS, beginning of year	<u>1,077,853</u>	<u>1,205,893</u>	<u>35,021</u>	<u>-</u>	<u>2,318,767</u>	<u>2,058,863</u>
NET ASSETS, end of year	<u>\$ 1,038,713</u>	<u>\$ 1,352,402</u>	<u>\$ 35,162</u>	<u>\$ -</u>	<u>\$ 2,426,277</u>	<u>\$ 2,318,767</u>

Evaluation

An evaluation committee composed of City Staff will review the RFQs and score them according to the criteria listed below. Those offerors receiving the highest scores may be invited to present to the evaluation committee. An eligibility list of qualified offerors will be determined from the information submitted.

Award Criteria	Weight	X	Rating	=	Value
1. Experience and Expertise of Firm	<u>4</u>	X	_____	=	_____
2. Key Individuals' Qualifications and Experience	<u>4</u>	X	_____	=	_____
3. Evidence of Financial Stability	<u>3</u>	X	_____	=	_____
4. References	<u>2</u>	X	_____	=	_____
			Total	=	_____

This RFQ will be evaluated on a cumulative point system.

Scoring

Outstanding	.	.	.	7
Good	.	.	.	5
Average	.	.	.	3
Poor	.	.	.	1
Not Addressed or Unacceptable				0

Request for Taxpayer Identification Number and Certification

Give form to the
requester. Do not
send to the IRS.

Print or type
See Specific Instructions on page 2.

Name FSL Home Improvements	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
<input type="checkbox"/> Exempt from backup withholding	
Address (number, street, and apt. or suite no.) 1201 E. Thomas Rd.	
City, state, and ZIP code Phoenix, AZ 85014	
List account number(s) here (optional)	
Requester's name and address (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
or								
Employer identification number								
3	8	3	6	4	9	9	3	0

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶ 	Date ▶ 10/8/07
-----------	---	-----------------------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued).
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
- The type and amount of income that qualifies for the exemption from tax.
- Sufficient facts to justify the exemption from tax under the terms of the treaty article.

*** State correct jurisdiction to receive sales tax on the Vendor's Bid Offer, form CS-P201 (B) included in this Invitation for Bid document.**

Less prompt payments discount terms of ____ % ____ days/ or Net 30 days. (To apply after receipt and acceptance of an itemized monthly statement.) For bid evaluation purposes, the City cannot utilize pricing discounts based upon payments being made in less than 30 days from receipt of statement.

Ordering and Invoice Instructions

In order to facilitate internal control and accounting, each City Department will order and must be invoiced separately. Monthly invoices must be segregated by City Department number and mailed or delivered directly to the City Customer Department. For most materials, there will be between three - (3) and six - (6) ordering departments. At the time an order is placed, the contractor must obtain the ordering department's cost center numbers for billing purposes. The use of the department's cost center numbers will be in addition to the purchase order number. Once a month, the contractor shall submit a consolidated statement which shall itemize the invoice numbers, invoice date, invoice amounts, and the total amount billed to Accounting. Discount offering will be based upon days from receipt of the consolidated monthly statement. Invoice(s) shall not show previous balances.

Invoices shall include:

1. Listing Of All Delivery/Pickup Receipt Numbers Being Invoiced.
2. Total Cost Per Item.
3. Applicable Tax.
4. Payment Terms.
5. Blanket Purchase Order Number.

Invoices that do not follow the above minimum invoicing requirements will not be paid. Payment must be applied to only invoices referenced on check/payment stub. The City reserves the right to bill contracted vendor for researching invoices that have been paid, but not properly applied by vendor account receivables office.

Statement mailing address: City of Tempe
Accounting (see below for your contact)
P.O. Box 5002
Tempe, Arizona 85280

Accounting Contacts:	Cecilia Miller	Letters A-C
	Ramona Zapien	Letters D-O
	Penny Brophy	Letters P-Z

EXHIBIT A

HOUSING IMPROVEMENT CONTRACT

Between Homeowner & Contractor

This AGREEMENT made and entered into this _____ day of _____, **200**, by and between

Business Name (Contractor) Hereinafter referred to as the CONTRACTOR, and
Homeowner Full Name Hereinafter referred to as the OWNER(S).

WITNESSETH

The OWNER(S) desire(s) to engage the CONTRACTOR to perform certain work on the premises located at:
Street Number and Name Here Tempe, Arizona _____.

The OWNER(S) desire(s) to rehabilitate the aforesaid premises in accordance with the City of Tempe's Housing Improvement Program.

This Contract is agreed upon in the amount of:

Rehabilitation Amount: _____
Total Contract Amount: _____

The parties do mutually agree as follows:

Section 1: Employment of Contractor: The OWNER(S) hereby engage(s) the CONTRACTOR to perform the services and supply the materials hereinafter set forth. The CONTRACTOR must be currently licensed, bonded and insured in the State of Arizona.

Section 2: Scope of Services: The CONTRACTOR shall perform all of the services and furnish all the materials necessary to make the improvements described herein for the premises.

Section 3: Improvements: The improvements to be made and/or constructed by the CONTRACTOR are set forth in the plans and specifications attached hereto and made a part of this AGREEMENT.

Section 4: Time for Performance: The CONTRACTOR shall, within five (5) calendar days from the date of the Notice to Proceed, begin actual performance, and all work to be performed by the CONTRACTOR shall be completed within 60 calendar days thereafter.

The CONTRACTOR is excused from the performance time requirement if, during the progress of the work, delay is authorized in writing by the City of Tempe, delays caused by neglect of the OWNER(S), (for the purpose of this Contract, the owner must make the premises available during regular Contractor business hours), or by any separate CONTRACTOR employed by the OWNER(S), or by authorized changes in the work, or by strikes, lockouts, fire, unusual delay in transportation, unavoidable casualties, or any causes completely beyond the CONTRACTOR'S control and the time of completion shall be extended for such reasonable time.

Section 5: Subcontracting: The CONTRACTOR agrees that he is fully responsible to the OWNER(S) for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by them, as he is for the acts and omissions of himself or persons directly employed by him. Nothing contained in this Agreement shall create any contractual relations between any subcontractor and the OWNERS(S).

Section 6: Insurance: The CONTRACTOR shall maintain such insurance to protect OWNER(S) under Workmen's Compensation acts issued by the Industrial Commission of Arizona and other employee benefits act, from claims for damages because of bodily injury, including death, and from claims for damages to property which may arise both out of and during operations under this Contract, whether such operations may be by himself or by another subcontractor or anyone directly or indirectly employed by either of them. Public liability insurance protecting the OWNER(S) shall be written for not less than \$500,000.00. Certificates of proof of such insurance shall be filed with the City of Tempe.

The CONTRACTOR shall defend, indemnify and hold harmless the OWNER(S) and the City of Tempe, from liability and claim for damages because of bodily injury, death, property damage, sickness, disease, or loss and expense arising from CONTRACTOR'S operations under this Contract.

Section 7: Changes: All changes, to this Contract, including Change Orders, must be in writing and shall be signed by the parties to the Contract and approved by the City of Tempe. Both OWNER(S) and CONTRACTOR agree to refrain from making any other Agreement concerning the listed work or any additional work during the term of this Contract.

Section 8: Waiver of Lien: The CONTRACTOR shall submit to the City of Tempe a satisfactory Waiver of all mechanics and material liens and records of expenses including receipts invoices and wage documentation prior to final payment of the consideration set forth hereafter.

Section 9: Compensation: The CONTRACTOR will be compensated, by the City of Tempe through it's Housing Improvement Program, for services and materials to be provided herein.

Section 10: Method of Payment: The City of Tempe, together with the OWNER(S), will authorize payment to the CONTRACTOR in accordance with one of the following schedules to be selected at the discretion of the City of Tempe:

Schedule A. Payment in full upon satisfactory completion of the entire work.

Schedule B. Progress payments based on the compensation stated in Section 9.

Schedule C. The contractor's proposal will include the number of draw requests and the amount of each draw. Each draw request must be in equal dollar amounts.

Schedule D. At any point during the course of construction, the City of Tempe shall authorize progress payments, if the work has been performed in an acceptable manner

Schedule E. Lien waivers from the contractor and subcontractors will be submitted to the City of Tempe prior to the last draw.

Section 11: Workmanship: The work provided by the CONTRACTOR shall be performed in a professional manner; and all materials used in the construction shall be new unless otherwise expressly set forth in the work write-up.

Section 12: Defects after Completion: The CONTRACTOR shall guarantee the work performed for twelve (12) months from the date of final acceptance of all work required by this Contract. Any defects that appear within this twelve (12) month period and arise out of defective or improper materials or workmanship shall, upon written instruction of the OWNER(S), be corrected and made good by the CONTRACTOR at his expense.

Furthermore, the CONTRACTOR shall furnish the OWNER(S) with all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under the Contract.

Section 13: Inspection of Work: The City of Tempe shall, at all times, have access to the work. If specifications, plans instruction, laws, ordinances, building standards, or any public authority requires any work to be specifically inspected, tested or approved, the CONTRACTOR shall give the City of Tempe timely notice of its readiness for inspection.

Section 14: Permits and Licenses: All permits and licenses required under this Contract shall be secured by the CONTRACTOR. Copies of all permits and licenses must be submitted to the City of Tempe Housing Services Division prior to any compensation for work performed on the property.

Section 15: Equal Employment Opportunity: During the performance of this Contract, the CONTRACTOR agrees as follows:

- A. The CONTRACTOR will not discriminate against any employee or applicant for employment because of race, religion, sex, creed, color, disability or national origin.

The CONTRACTOR will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without any regard to their race, religion, sex, creed, color, disability or national origin.

Such action shall include, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising; layoff, termination, rates of pay or other forms of compensation; and selection for training or apprenticeship.

- B. The CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTOR, state all qualified applicants will receive consideration for employment without regard to race, religion, sex, creed, color, disability or national origin.
- C. The CONTRACTOR will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this CONTRACTOR, so that such provisions will be binding upon each subcontractor provided that the foregoing provisions shall not apply to CONTRACTS or subcontracts for standard commercial supplies or raw materials.

Section 16: Engineering and Construction Surveys: The CONTRACTOR shall furnish all surveys as required under this Contract unless otherwise specified.

Section 17: Termination: If the CONTRACTOR fails to complete the project in a professional manner within the prescribed time frame, or violates any other provisions of this Contract, he may be declared in default.

The OWNER(S) will provide the CONTRACTOR with a two (2) day written notice of default for failure to comply with his contract obligations. This notice shall contain the reason(s) for the CONTRACTOR default, and, unless within forty-eight (48) hours after delivery of said notice, the violations are corrected or satisfactory arrangements are made for their correction, the CONTRACTOR's right to proceed under the Contract will be terminated.

In the event the Contract is terminated, the OWNER(S) shall have the right to hire another CONTRACTOR to complete the project. The cost of having the work completed shall be deducted from the remaining balance of this Contract.

Section 18: The OWNER(S) and the CONTRACTOR acknowledges that they have read, understand, and agree to all the provisions of this Contract and the attachments thereto.

Section 19: This Housing Improvement Contract contains the entire agreement between the Owner(s) and the Contractor.

IN WITNESS WHEREOF, the OWNER(S) and CONTRACTOR have executed this Contract as of the date on Page one of this Contract.

SIGNATURES:

Homeowner(s):

_____	_____
Homeowner Signature	Date
_____	_____
Homeowner Signature	Date
_____	_____
Homeowner Signature	Date
_____	_____
Witness	Date

Contractor:

_____	_____
Contractor Signature	Date

Contractor License Number	
_____	_____
Witness	Date